

**UNITED STATES COURT OF APPEALS
FOR THE SIXTH CIRCUIT**

Deborah S. Hunt
Clerk

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Filed: November 20, 2020

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Re: Case No. 12-1068/13-1169, *NLRB v. Enjoi Transp Solutions, LLC*
Originating Case No. : 7-CA-53141 : 7-CA-53729

Dear Sir or Madam,

The Court issued the enclosed (Order/Opinion) today in this case.

Sincerely yours,

s/Bryant L. Crutcher
Case Manager
Direct Dial No. 513-564-7013

Enclosure

No mandate to issue

Nos. 12-1068/13-1169

UNITED STATES COURT OF APPEALS
FOR THE SIXTH CIRCUIT**FILED**
Nov 20, 2020
DEBORAH S. HUNT, Clerk

NATIONAL LABOR RELATIONS BOARD,)

Petitioner,)

v.)

ENJOI TRANSPORTATION, LLC, et al.,)

Respondents.)

J U D G M E N T

Before: NORRIS, BATCHELDER, and GIBBONS, Circuit Judges.

The National Labor Relations Board (“the Board”), Enjoi Transportation, LLC, and Local 243, International Brotherhood of Teamsters entered into a Formal Settlement Stipulation in these cases. Thereafter, the Board sought an adjudication of civil contempt and other relief against Enjoi and its officer and agent Paulette Hamilton (collectively, “Enjoi”). The court ordered Enjoi to show cause why it should not be held in civil contempt. The court appointed a Special Master. After the Board moved for entry of a default judgment, the Special Master recommended granting a default judgment, and Hamilton moved for an extension to object to that recommendation. The parties subsequently notified the Special Master that they had reached a stipulated settlement and moved for approval of the stipulated settlement. The Special Master recommends approving the settlement.

It appearing that this matter reflects a voluntarily agreed-to compromise, and that it will provide repose and a meaningful remedy to resolve this matter, the Board’s motion is **GRANTED**. It is hereby **ORDERED** and **ADJUDGED** that the attached Settlement Stipulation

Nos. 12-1068/13-1169

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shall be entered as the judgment of the court on the Board's October 3, 2016 Petition. Pursuant to the Settlement Stipulation, a ruling on the remaining motions is **RESERVED** pending receipt of a motion to dismiss from the Board.

ENTERED BY ORDER OF THE COURT

A handwritten signature in black ink, appearing to read "Deborah S. Hunt", is written above a horizontal line.

Deborah S. Hunt, Clerk

**UNITED STATES COURT OF APPEALS
FOR THE SIXTH CIRCUIT**

<p>NATIONAL LABOR RELATIONS BOARD,</p> <p style="text-align: center;">Petitioner,</p> <p style="text-align: center;">v.</p> <p>ENJOI TRANSPORTATION, LLC,</p> <p style="text-align: center;">Respondent,</p> <p>PAULETTE HAMILTON,</p> <p style="text-align: center;">Additional Respondent in Contempt.</p>	<p>Nos. 12-1068, 13-1169</p> <p>Referral: Victoria A. Roberts, U.S.D.J. (Special Master)</p> <p>SETTLEMENT STIPULATION</p>
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**UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF MICHIGAN**

<p>NATIONAL LABOR RELATIONS BOARD,</p> <p style="text-align: center;">Petitioner,</p> <p style="text-align: center;">v.</p> <p>ENJOI TRANSPORTATION, LLC; PAULETTE HAMILTON; GREGORY LYNN,</p> <p style="text-align: center;">Respondents,</p> <p style="text-align: center;">and</p> <p>HUNTINGTON NATIONAL BANK; LOGISTICARE SOLUTIONS, LLC; and SECURE TRANSPORTATION COMPANY OF MICHIGAN, LLC,</p> <p style="text-align: center;">Garnishees.</p>	<p>No. 18-mc-50994-VAR-DRG</p> <p>SETTLEMENT STIPULATION</p>
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**UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF MICHIGAN**

<p>NATIONAL LABOR RELATIONS BOARD,</p> <p style="text-align: center;">Petitioner,</p> <p style="text-align: center;">v.</p> <p>ENJOI TRANSPORTATION, LLC, PAULETTE HAMILTON, GREGORY LYNN,</p> <p style="text-align: center;">Defendants.</p>	<p>No. 18-cv-13597-VAR-DRG</p> <p>SETTLEMENT STIPULATION</p>
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SETTLEMENT STIPULATION

The National Labor Relations Board (the Board), and Respondents/Defendants Paulette Hamilton (Hamilton), Gregory Lynn (Lynn), and Enjoi Transportation, LLC (Enjoi) (collectively, "Respondents"), hereby stipulate and agree as follows:

Facts

1. On July 22, 2014, the United States Bankruptcy Court for the Eastern District of Michigan confirmed the Chapter 11 reorganization plan of Enjoi. [Bankr. E.D. Mich. No. 13-bk-49751, ECF No. 229.] That Plan, in pertinent part and as reduced by prior partial payments, requires Enjoi to pay \$16,793.70, plus interest, to the Board as backpay.

2. On October 3, 2016, the Board petitioned the United States Court of Appeals for the Sixth Circuit for an order holding Hamilton and Enjoi in contempt of prior judgments entered by that court. [6th Cir. No. 12-1068, ECF No. 61.] As subsequently liquidated, the Board alleges that Enjoi and Hamilton are jointly and severally liable to pay the Board not less than \$39,216.22, plus interest, as compensatory damages to remedy their contempts. [*Id.* at ECF No. 78.]

3. On November 19, 2018, the Board filed suit in the United States District Court for the Eastern District of Michigan alleging that Hamilton and Lynn received fraudulent transfers from Enjoi. [E.D. Mi. No. 18-cv-13597, ECF No. 1.] On December 18, 2018, the Court issued a Protective Restraining Order against Hamilton and Lynn prohibiting them from disposing of assets without notice to the Board. [*Id.* at ECF No. 6.] On November 20, 2019, the Court entered default judgment holding Hamilton to be the recipient of not less than \$21,478 in fraudulent transfers from Enjoi, Lynn to be the

recipient of not less than \$18,000 in fraudulent transfers, and Hamilton and Lynn as jointly and severally the recipient of not less than \$6,746 in fraudulent transfers. [*Id.* at ECF No. 45.]

4. On July 6, 2018, the United States District Court for the Eastern District of Michigan issued a protective restraining order prohibiting Enjoi from disposing of assets without notice to the Board. [E.D. Mich. No. 18-mc-50994, ECF No. 8.] On December 20, 2019, this Court granted the Board's Application for a prejudgment writ of attachment against properties located at 1749 Lexington Dr., Troy, MI 48084, and 4971 Hillcrest Dr., Grosse Pointe, MI 49546 (collectively, "the Properties"), in the combined total amount of \$73,086.11, reflecting a portion of Respondents' debts to the Board, as set forth above, plus a 10% statutory surcharge. [*Id.* at ECF No. 25.]

Settlement Terms

5. In an effort to avoid further litigation and in consideration of Respondents' ability to pay, the Board, Hamilton, Lynn, and Enjoi, hereby jointly agree to settle all claims with respect to actual or potential liability in case nos. 12-1068 et al (6th Cir.), 18-cv-13597-VAR-DRG (E.D. Mich.), 18-mc-50994-VAR-DRG (E.D. Mich.), and 13-bk-49751 (Bankr. E.D. Mich.).

6. The Board agrees to compromise Respondents' debts from the full amount presently and potentially due and owing, described above, to the reduced amount of \$40,000, plus interest accrued from the date of execution of this Settlement Stipulation through such time as repayment is complete, in the amounts periodically determined by the Board at the rate prescribed in *New Horizons*, 283 NLRB 1173 (1987), compounded daily as prescribed in *Kentucky River Medical Center*, 356 NLRB

6 (2010). ("Settlement Debt").

7. Respondents agree to confess judgment in favor of the Board and against them, jointly and severally, in the amount of the Settlement Debt.

8. All payments shall be made in U.S. Currency.

9. The current writ of attachment shall be converted by appropriate order to a writ of execution in the amount of the Settlement Debt.

10. In the event that the Settlement Debt is satisfied, and upon such satisfaction, the Board will move the United States District Court for the Eastern District of Michigan for an order discharging the writ of execution and terminating the Protective Restraining Orders entered by this Court against Enjoi and Hamilton and Lynn.

11. Until satisfaction of the Settlement Debt, Hamilton and Lynn shall preserve, and provide to the Board upon request, all records relevant to ownership of, or liens or mortgages upon, the Properties.

12. Upon full payment of the Settlement Debt, the Board shall move the United States District Court for the Eastern District of Michigan to discharge the writ of execution and shall file releases of any liens created by the writ of execution with appropriate authorities.

13. This Settlement Stipulation is contingent upon the Board's ability to perfect security interests in the Properties, subordinate only to the preexisting liens on the Properties held by Mortgage Center and Fifth Third Bank, respectively. If for any reason the Board is unable to attach liens to the Properties with appropriate authorities, or such liens are deemed to be invalid or subordinate to another lien by

any order of a court of competent jurisdiction, then, at the Board's sole election, this Settlement Stipulation shall be voidable.

14. Hamilton and Lynn shall not be released from their obligations and liabilities under this Settlement Stipulation unless the Board agrees in writing to such release.

15. All notices given in connection with this Settlement Stipulation shall be in writing. Any notice to Hamilton and Lynn in connection with this Settlement Stipulation shall be deemed to have been given on the date e-mailed, or the date mailed, whichever is earliest.

16. Notice to either Hamilton and/or Lynn shall constitute notice to both. The notice address shall be **1749 Lexington Dr., Troy, MI 48084**. The notice e-mail address shall be **enjoitrans@aol.com**. The Board shall promptly be informed of any change of address or e-mail. There may be only one designated notice address and one designated notice e-mail address under this Settlement Stipulation at any one time.

17. Any notice to the Board shall be given by e-mail to **ccslb@nlrb.gov** and delivering it or mailing it by first class mail to **NLRB, Contempt, Compliance, and Special Litigation Branch, 1015 Half St. SE, 4th Floor Washington, DC 20003** unless the Board has given notice to designate another address or e-mail address. Any notice in connection with this Settlement Stipulation shall not be deemed to have been given to the Board until received by the Board.

18. Any and all compensation, settlement, award of damages, or proceeds paid by any third party for: (i) damage to, or destruction of, the Properties; (ii) condemnation or other taking of all or any part of the Properties; (iii) conveyance in lieu of condemnation; or (iv) misrepresentations of, or omissions as to, the value and/or

condition of the Properties ("Miscellaneous Proceeds"), shall be assigned to and payable to the Board up to the Settlement Amount except to the extent such proceeds are payable to Fifth Third Bank and/or Mortgage Center, as appropriate, on account of their senior liens.

19. Hamilton and Lynn shall be obligated to pay all taxes and assessments and other items which can attain priority over the Board's writ of execution as a lien or encumbrance on the Properties. Hamilton and Lynn shall promptly furnish to the Board receipts evidencing such payments within such time period as the Board may require. Hamilton's and Lynn's obligation to make such payments and to provide receipts shall for all purposes be deemed to be a covenant and agreement contained in this Stipulation.

20. Hamilton and Lynn shall provide the Board notice within five (5) calendar days of the initiation of any foreclosure proceeding related to the Properties.

21. Hamilton and Lynn shall provide the Board not less than sixty (60) calendar days' notice of any contemplated voluntary sale of the Properties, and if any such sale occurs, the proceeds of that sale shall be subject to the provisions of the Protective Restraining Order against them. No sale shall occur without the Board's written consent, which shall not be unreasonably withheld.

22. Hamilton and Lynn shall not destroy, damage or impair the Properties, allow the Properties to deteriorate or commit waste on the Properties. Whether or not Hamilton and/or Lynn are residing in the Properties, Hamilton and Lynn shall maintain the Properties in order to prevent the Properties from deteriorating or decreasing in value due to their condition. Unless it is determined that repair or

restoration is not economically feasible, Hamilton and Lynn shall promptly repair the Properties if damaged to avoid further deterioration or damage. If Miscellaneous Proceeds are paid in connection with damage to, or the taking of, the Properties, Hamilton and Lynn shall be responsible for repairing or restoring the Properties only if the Board has released proceeds for such purposes. The Board may disburse proceeds for the repairs and restoration in a single payment or in a series of progress payments as the work is completed. If Miscellaneous Proceeds are not sufficient to repair or restore the Properties, Hamilton and Lynn are not relieved of their obligation for the completion of such repair or restoration.

23. Hamilton and Lynn shall be in default if, during the process of negotiating this Settlement Stipulation, they or any persons or entities acting at their direction or with their knowledge or consent omitted or concealed liens or debts that would take precedence over the Board's writ of execution, or in any other way gave materially false, misleading, or inaccurate information or statements to the Board (or failed to provide the Board with material information) in connection with the parties' agreement.

24. The Board shall give notice to Hamilton and Lynn upon the alleged breach of any covenant or agreement in this Settlement Stipulation. The notice shall specify: (a) the default; (b) the action required to cure the default; (c) a date, not less than 30 calendar days from the date the notice is given, by which the default must be cured; and (d) that failure to cure the default on or before the date specified in the notice may result in the consequences set forth below.

25. If, upon written motion of the Board providing proof of default, an appropriate

United States District Court determines that a default has occurred:

- a) judgment shall promptly be entered by the Court against Hamilton and Lynn in the amount of the Settlement Debt, plus accrued interest;
- b) a postjudgment writ of execution in that amount shall be levied against the Properties;
- c) the Board may move for an immediate sale of the Properties as provided for by 28 U.S.C. § 3203, and the proceeds of the sale, after satisfaction of any preexisting liens, shall first be applied to the amounts due under subparagraph (i) of this paragraph; and
- d) this Settlement Stipulation shall be voidable at the Board's election, and the Board shall be entitled to pursue collection of any and all amounts over and above the Settlement Debt that it alleges to be due to it without regard to any of the parties' prior adjustments or compromises.

26. In consideration of the foregoing, the Board agrees that in the absence of default, so long as this Settlement Stipulation is fully complied with, and so long as the lien created hereby shall remain effective, it shall not seek execution upon or sale of the Properties to satisfy the amounts owed by Hamilton and Lynn.

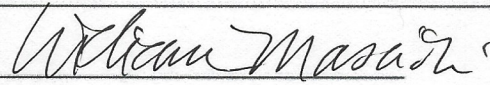
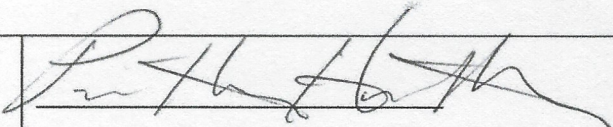
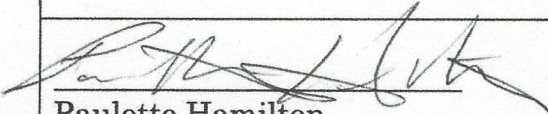
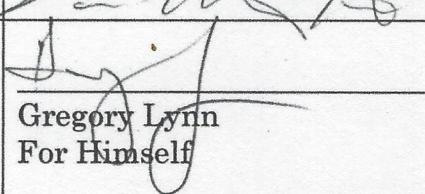
27. This Stipulation contains the entire agreement between the parties, and there is no other agreement of any kind, verbal or otherwise, with respect to the subjects of this Stipulation.

28. This Agreement may be signed in any number of counterpart copies and by the parties hereto on separate counterparts, but all such copies shall constitute one and the same instrument. Hamilton's and Lynn's signatures shall be notarized, and

the seal of the notary shall be set forth below.

The undersigned, accordingly, jointly move this Court to approve the terms of this Stipulation, which shall become effective upon the final necessary judicial approval. Upon such approval, the Board shall move to dismiss its application for contempt in Case No. 12-1068 et al. (6th Cir.), and Case No. 18-cv-13597 (E.D. Mich.), subject to reopener in the event of a default in Respondents' obligations to undertake the covenants set forth in this Stipulation.

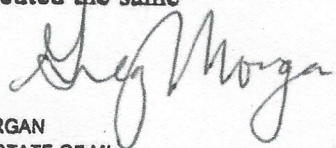
Based on the foregoing, Hamilton and Lynn, after being accorded the opportunity to consult with counsel, acknowledge that the sum of \$40,000 plus interest is justly due to the Board pursuant to this Settlement Stipulation, and therefore authorize entry of judgment of record against them in favor of the Board in the amount of \$40,000, plus interest, less any payments made.

 William Mascioli For the NLRB	 Paulette Hamilton For Herself
 Paulette Hamilton For Enjoi Transportation, LLC	 Gregory Lynn For Himself

[Space Below This Line For Acknowledgment by Notary Public]

On this 22 day of June 20 20 20,
before me personally appeared
Paulette Hamilton
to me known to be the person who
executed the foregoing instrument, and
acknowledged that he executed the same
as his free act and deed.

On this 22 day of June 20 20 20,
before me personally appeared
Gregory Lynn
to me known to be the person who
executed the foregoing instrument, and
acknowledged that he executed the same
as his free act and deed.


GREG MORGAN
NOTARY PUBLIC, STATE OF MI
COUNTY OF OAKLAND
MY COMMISSION EXPIRES Nov 10, 2022
ACTING IN COUNTY OF Oakland